

Action Item

*California Postsecondary Education Commission*

Approval of the Minutes of the June 4-5, 2001, Meeting

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# MINUTES

## *California Postsecondary Education Commission*

### Meeting of June 4-5, 2001

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<b>Commissioners present June 4 and 5, 2001</b>	Alan S. Arkatov <i>Chair</i> Carol Chandler, <i>Vice Chair</i> Susan Hammer Robert Hanff Lance Izumi Kyo “Paul” Jhin Velma Montoya Ralph R. Pesqueira Guillermo Rodriguez, Jr., Evonne Seron Schulze Olivia K. Singh Howard Welinsky Melinda G. Wilson (present on June 5 only)	<b>Commissioners absent</b> Phillip J. Forhan Kyhl Smeby
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<b>Call to order</b>	Commission Chair Arkatov called the Monday, June 4, 2001 meeting of the California Postsecondary Education Commission to order at 1:16 p.m. in the Sacramento Convention Center, 1400 J Street, Room 202, Sacramento, California. He asked for a call of the roll.
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<b>Call of the roll</b>	Executive Secretary Judy Harder called the roll. All commissioners were present, except, Forhan, Smeby, and Wilson. Commissioners Montoya, Pesqueira, and Rodriguez arrived after the call of the roll.
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<b>Approval of the minutes</b>	A motion was made to adopt the minutes of the April 2nd and 3rd, 2001 Commission meeting. It was moved, seconded and approved without dissent to adopt the minutes.
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<b>Report of the Chair</b>	Chair Arkatov introduced writer Nicholas Lemann to discuss the history of the Standard Achievement Test as well as the general issue of standardized testing.
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<i>Standardized testing</i>	Mr. Lemann said that a college entrance examination board, which became known as the College Board, was set up in 1900 to be an interface between a small number of elite high schools and colleges. Colleges wanted to use the creation of a standardized
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admission's test to compel adoption of a specific curriculum by high schools interested in a uniform set of requirements for the college admissions process.

Dissatisfaction with this approach arose in the 1930s and '40s. A principal critic was James Bryant Conant, then president of Harvard University, who believed that the College Board excessively narrowed the pool of available students for colleges like Harvard to draw upon. Student readiness from non-College Board member high schools was difficult to assess. This led to the development of the SAT, which became the College Board's admission test following the Second World War.

Mr. Lemann reported that the Educational Testing Service was founded in 1948 as a national organization to be used as a sorting device for colleges to obtain elite students from around the country. He provided a brief history of the ACT. E.F. Linquist -- who believed that public universities should have completely open admissions and utilize achievement-based tests rather than aptitude-based tests -- founded ACT in the late 1950's.

Mr. Lemann said that the case, as it is currently made for the use of the SAT in admissions, is that the test has some predictive validity regarding the early part of the undergraduate experience. He expressed concern about the SAT debate and stated that it emanates from a narrow point of view. He said it is not right and fair to decide what tests should be used solely on the basis of what is best for the highly selective college admissions officer. He said the question is how to obtain the most benefit for all without taking away the ability of the admission officers to make good decisions.

Mr. Lemann said he favored a transition away from the SAT to achievement-based tests. High school students perceive the SAT as a measure of intelligence and that the test scores get internalized. He maintained it is better psychologically to administer an achievement test. The advantage of an achievement test is that when the student studies the course material in school he or she is preparing for the test. Achievement tests can be used as a tool to improve the quality of high schools because they provide incentives for students to study their course material whereas the SAT does not.

Mr. Lemann maintained that the SAT has not always been used in the intended manner and cited some examples:

- ♦ UC Berkeley admitted half of its classes in most of the 1990s based solely on the numerical bases of SAT scores due to the University's 4.0 GPA admission requirement.
- ♦ Colleges that do not have large admissions staff tend to simply feed SAT scores into a computer to produce rankings.

Mr. Lemann stated that he sees a national movement away from aptitude tests and toward achievement tests with the recognition that there is an implied responsibility for the State to guarantee a meaningful education to all students, which has been long overdue.

Chair Arkatov related that this is all about how well you take tests versus what you know and one's innate worth versus what the SAT is used to gauge. He asked Mr.

Lemann to help him separate what you know from how well you take tests and the 15 percent variance in freshman grades that the SAT is supposed to measure.

Mr. Lemann responded that the usefulness of an admission test is how well that test predicts a high school senior's grade point average in a different location a few months into the future. Test validity should not be the deciding factor of college admissions because the moment in life of a high school senior when the test is taken is a breaking point wherein the person is selectively put on a track that they will be on for decades. The best possible answer is to say "we're going to try to find out how well you are likely to do as a freshman but your admission should not stand or fall solely on the question of what your freshman grade point average will be." He added that tests do measure how well you take tests and any time one wants to figure out which senior will get the highest grade point average in college, one will find that it is the people who have the best education and the family that stresses education the most. People best prepared for college are going to do well when they get there and a more nuanced decision on who to admit into college is appropriate.

Director Fox discussed problems with variance in standards among high schools and the proposal for a national curriculum as a policy alternative. Mr. Lemann discussed the advanced placement program that is nationally standardized and explained its healthy effect on high schools as well as the fact that there is not equal access to AP classes. He explained that each of the 17,000 school districts in America do not have individually tailored curriculum and testing programs so they tend to get pitched by a small group of private sector curriculum and testing development companies to pick from a limited menu. In his opinion, the federal government should be doing this work to build a floor under higher education.

Commissioner Schulze stated that she is very frustrated with the fact that people can pay money to take courses and learn the answers. She said that the bottom line is that people are making money from testing and teaching how take the tests.

Mr. Lemann said that people who have resources would manipulate the system to get a better result for themselves. Commissioner Jhin asked for Mr. Lemann's recommendation on an appropriate test. Mr. Lemann responded that the short-term answer is to use the SAT II or some variation of it, and in the longer term some national version that looks like the Regents' system. He said that there should be some sort of National Board that would fight democratically to develop a unified curriculum in various subject areas leading to tests based on mastery of that curriculum.

Vice Chair Carol Chandler asked Mr. Lemann why he felt that an achievement test would be a better indicator of a student's performance in college as compared to an overall SAT "intelligence" test. He said that there are validity studies that will answer that question technically for her in the following presentation. He added that the numbers are good regarding the achievement tests and that a test's ability to predict first-year grade performance should not be the sole criteria for test development and use.

Chair Arkatov introduced University of California President Richard C. Atkinson, stating that the University president has recommended major changes in UC admissions policies. President Atkinson has recommended that UC:

1. Require only standardized tests that assess mastery of specific subject areas rather than undefined notions of “aptitude” or “intelligence.”
2. Move away from admission processes that use narrowly defined quantitative formulas and instead adopt procedures that look at applicants in a comprehensive, holistic way.
3. No longer require applicants to take the SAT 1.

President Atkinson stated that he agreed with nearly all that Mr. Lemann had said with exception to the notion of a national test that is uniform across the country. President Atkinson provided the Commission with samples of SAT verbal analogies and asked the members to try them out. He highlighted features and distinctions between the SAT I and the SAT II test and explained that his proposal is intended to replace the SAT I with a standardized test which is closely correlated to the A - G course requirements for the University of California. Additionally, he proposed that, until such a test could be developed, that the SAT II should be utilized. He reported that his proposals are before the Academic Senate and it will announce an opinion sometime this fall. At that time, the matter will go to the UC Regents.

President Atkinson made it clear that he supports standardized testing correlated with the curriculum that students study and that represents a good measure of what they have learned. He stated that considering aptitude tests as measures of innate intelligence is something that worries him a great deal. Additionally, he explained that the reason for correlating tests with the curriculum is to indicate to the student that it is very important that they do well in the courses that are prescribed to them, and if they do well they should have every reason to believe they would do well on the examination. This would send a message back to the school on whether these students are performing well in these courses as indicated by their performance on the examination.

President Atkinson reviewed a document that provided data on different predictive measures that account for the percentage of the variance that one could explain regarding freshman grades in college. Some of the findings in this document are as follows:

- ◆ 14.5 percent of college freshmen grades can be accounted for by high school grades.
- ◆ 12.8 percent of college freshmen grades can be accounted for by the SAT I.
- ◆ 15.3 percent of college freshmen grades can be accounted for by the SAT II.
- ◆ 19.7 percent of college freshmen grades can be accounted for by the SAT I and high school grades combined.
- ◆ 21.0 percent of college freshmen grades can be accounted for by the SAT 2 and high school grades combined.
- ◆ 21.1 percent of college freshmen grades can be accounted for by the SAT 1, SAT 2 and high school grades.

President Atkinson stressed that the SAT I adds nothing in regards to the ability to predict college level performance and that one should move to a standardized achieve-

ment based test clearly related to the A - G requirements. The kind of preparation done by students for the SAT I is not the appropriate way for young people to be spending their time. It would be time better spent trying to understand the course material, rather than vague notions of aptitude characterized by something like verbal analogies. He said serious misuse of the SAT I disadvantaged far too many people as well as the development of IQ testing which was characterized as having a very bad history. He described some of the very bad things done in the name of IQ testing, such as the classification by one study of 80 percent of all Jewish immigrants from the southern European area as mentally subnormal.

Executive Director Fox asked if it would be possible to develop and implement a national curriculum. President Atkinson stated that this is close to achievement and pointed out that when one compares state standards there is not too much of a difference between and among states.

Commissioner Hammer stated that she was concerned about the 1.5 million non-English language learners in K-12 within California. President Atkinson responded that the U.C. system changed its admission policy this year to accept the top four percent of students from any high school in addition to the acceptance of the top 12.5 percent of students Statewide.

Chair Arkatov inquired if looking at the freshman-year grades 15-percent variance data was the correct place to be judging students. President Atkinson said it was not but, historically, such data have been the easiest to examine. He stated that experts in the field are coming to the view that a single measure of intelligence is a mistake. He added that educational research has not been very productive and that there were very few good double blind studies testing important issues such as using language versus the phonetic approach to the instruction of reading in California.

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**Recess** Chair Arkatov recessed the meeting at 3:20 p.m.

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**Reconvene** Chair Arkatov reconvened the Commission meeting at 3:28 p.m. and introduced Richard Ferguson, President of American College Testing Service.

Mr. Ferguson stated that his primary interest is to advocate for, and provide information about, the ACT test and how it fits into the national college admissions testing arena. He stated that the ACT test was founded in 1959 and has been used extensively throughout the nation. The ACT tests nearly the same number of high school graduating students as the SAT and is the predominant program in the majority of states in the country.

Mr. Ferguson noted the mission statement of ACT is, "To help people make informed decisions about education and work." He discussed his belief that college admissions assessment should facilitate informed decisions at key points in time and that, if individuals are given good information, they are more likely to make better decisions. He presented the college admission assessment as a process that one can have an impact upon as opposed to looking at assessment as a single event. He stressed that ACT believes deeply in achievement as the focus of assessment and that the ACT test is an achieve-

ment test. It is developed through a process that includes national surveys of educators, on a routine and regular basis of the subject matter areas that the ACT test assesses. He outlined several reasons why a focus on assessment of performance in the first year of college is important:

- ◆ Students who are not well prepared academically for college will drop out by the end of the first year.
- ◆ There is a socialization effect of the institution itself so the college begins to have an impact on performance.

Mr. Ferguson stated that the ACT is not easy to prepare for because the subject matter must be learned. He said the assessments and skills being measured are not those that can be picked up in a refresher course because the material must have been learned previously. He said that the ACT takes a holistic approach to the students because it measures four core content areas proposed by teachers and professors in schools: English and writing skills, mathematics and reasoning, science, and reading.

Mr. Ferguson said fairness is key to the long-term validity and success of the program as the assessment items are written by high school teachers and college professors. He stated that there are sensitivity and fairness reviews where virtually every minority group has a role in reviewing the ACT test items. It takes up to three years to develop one form of the test due to the enormous array of processes required. Across all lines of gender and race, if one takes more courses in high school, one scores higher on the ACT and is better prepared for college. Mr. Ferguson indicated that his organization has data to demonstrate that differences in test scores for various groups can be minimized. He also noted that the ACT used for many other purposes by postsecondary institutions. In addition to the selection decision, the ACT is very effective in measuring the high-end student who is going to go to an elite institution as well as a placement tool for students and colleges.

Mr. Ferguson described and explained how the three components of the Educational and Planning Assessment System work beginning at grade 8. The components of EPAS are: The Explore program at grade 8, the Plan program at grade 10 and the ACT assessment college admission program for high school seniors. Referring to a document called Standards for Transition which lists the four test areas, it shows different score levels on the college admissions test. It becomes a basis for giving reports back to high schools that are being asked to improve the education and the achievement of youngsters. ACT has a detailed report that essentially matches the ACT standards for transition with the K-12 academic content standards for California public schools. The test development process does not occur behind closed doors, but rather it engages schools and institutions around the country. This is vital to having the test and its content meeting the needs of the individual student.

Director Fox noted that, when he was a professor, he used ACT for student advisement and found the addition of the core courses and inventory of student interest very useful. Mr. Fox asked if the core courses were defined on a national scope as the accepted core, should there be a national test around those core competencies or should that be left to the high schools to demonstrate that the students completed those core courses.



Mr. Ferguson responded that there is a de facto national assessment now in the sense that the state standards and the various tests that are being given are representative of what the states are saying and there is significant overlap of these achievement tests. He explained how there would be positive and negative consequences for moving the test to the national level and that he is not sure whether a national assessment will produce the results desired.

Commissioner Jhin asked Mr. Ferguson if they adjust the test according to state requirements. Mr. Ferguson explained that they take a curriculum survey of teachers all around the country to best reflect what the current conventions are on the test. He pointed out that there is not much change in subjects like algebra and geometry but that subjects like science are evolutionary in nature and there is a large overlap with the standards of California. There are some gaps in emphasis on certain items compared to the state standards.

Commissioner Jhin asked what percentage of California school systems use the ACT. Mr. Ferguson replied that last year roughly 40,000 California students completed the ACT.

Chair Arkatov asked for the numbers of students who took the SATs for the same time period. Mr. Ferguson replied that roughly five times as many students took the SATs.

Commissioner Singh asked if California had any particular institutions that use the ACT as opposed to the SAT I for admission. Mr. Ferguson replied that the answer would be “no” but that the ACT is accepted by every institution and usually the formula is the ACT or the SAT I with the addition of the SAT II under current models.

Commissioner Pesqueira stated that part of the reason that CSU uses the SAT rather than the ACT is that it is not mandatory that every student takes the SAT if they have a grade point average over 3.0. However, if the grades are below 3.0, the sliding index takes into account their scores on the SAT.

Mr. Ferguson stated that the ACT could be numerically matched to the index as well. Because the ACT is subject matter focused, and the fact that its development involves an enormous array of processes and reviews, the test is not ethnically discriminatory. He stated that the creation of the English as a second language assessment, which was released last year, was designed and developed with the help of more than 100 post-secondary institutions with the notion that it could be tied in with the ACT assessment results.

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**Public comment**

Chair Arkatov introduced the President of Kaplan K-12 Learning Services, Marc F. Bernstein. Mr. Bernstein stated his purpose is to raise questions and issues to respectfully expand the Commission’s list of considerations, and not to suggest solutions. His primary concern was the consequences of placing greater emphasis on achievement based tests considering the diversity of the incoming freshmen class. He advised that Kaplan has this concern based upon their analysis of student performance on achievement tests including the NAEP, Advanced Placement exams, SAT II subject tests, the New York State Regents Exams and the Stanford 9. He indicated that all of these

assessments revealed significant score gaps between either white and under-represented minority students or gaps based on parental income. He discussed equity issues that should be taken into consideration with regard to President Atkinson's proposal. Some of these issues were: score gaps on subject-based tests; gaps in resources between lower and higher income students; and gaps in access to AP courses.

Mr. Bernstein briefly provided results that show significant score gaps of nationally respected assessments, which included the National Assessment of Educational Progress (NAEP), Advanced Placement (AP) Exam, SAT II Exam, New York Regents exam, and the Stanford 9.

Mr. Bernstein said a major gap in resources exists because students in California are at the mercy of their particular schools' course offerings, and the schools across the state do not have equal access to advanced placement courses. Fifteen percent of all high schools do not offer any advanced placement courses at all and 5 percent offer only one AP course. He stated that the divide along socioeconomic lines are clear, with 62 percent of the schools without a single AP course being those that serve predominately Latino or African American students, according to the Thomas Rivera Policy Institute. Schools with predominately White and Asian students offer an average of nine AP courses. He discussed the SAT II, score choice and second language opportunity issues and provided data on score differences from various ethnic groups.

Mr. Bernstein stated that, with regard to the second language opportunity, there is no SAT II exam that provides African Americans as a group a similar opportunity as is provided to Latino and Asian American students, which results in significantly lower scores in that ethnic group. Mr. Bernstein stressed that additional study is required to determine if achievement tests will help diversify incoming freshmen classes and his organization has valid concerns about moving to a SAT II only system. There are three areas Mr. Bernstein thought the Commission must review:

1. Subject based tests have dramatic score gaps across ethnic and family income lines.
2. Affluent students have additional advantages through access to AP courses, rigorous academic curricula and the savvy to use the SAT II score choice system.
3. The only balancing component is the second language opportunity that Latino students have on the SAT II. However, African American students are consistently left behind.

Chair Arkatov asked Mr. Bernstein to point the Commission in the right direction from the Kaplan standpoint in California. Mr. Bernstein replied that he brought issues to the Commission and not necessarily solutions. The holistic approach is certainly the best solution for students if it can be accomplished in a fair and equitable way, which is the real challenge. He also related that use of achievement tests is the most appropriate goal for all the correct reasons.

Mr. Bernstein said that Kaplan brought data to the Commission because it does not wish to see youngsters, who only have one opportunity to go through each phase of their lives, disadvantaged through the best of intentions, when the system of public education is not yet ready to address the challenges that are required.

Chair Arkatov introduced Gary Tutor, the Director of Admissions and Outreach for U.C. Davis. Mr. Tutor offered two reasons why the ACT should be present in California: 1) that in the 37 States where the ACT is preferred, there are increased high school and college graduation rates in relation to California; and 2) the State of California has made a significant investment in outreach. He noted that, where states are successful using the ACT, it is because of the systematic assessment of the ACT program.

Commissioner Hammer asked if he was comparing apples and oranges in relation to the 37 States that may have a very small immigrant population versus California. Mr. Tutor stated that the diversity of California is enormous and makes it a very different state as compared to North Dakota or Iowa. He admitted that a plan for immigrant students in California makes as much sense as it does for any other state and ACT has been able to do that throughout the country.

Commissioner Rodriguez pointed out that, until colleges expand their facilities, there would be more tests and higher standards for students competing for limited seats.

Commissioner Hammer related that one year ago the State Board had an all day retreat with the top priority being to somehow reduce the amount of testing that goes on in the State of California. She suggested there should be better coordination between the tests that are given and the standards based assessment system because only portions of particular tests may be retained and many may be thrown out altogether. The State Board's goal, as a group, is to bring some sense to the vast number of tests.

Chair Arkatov advised that the Commission will continue this item over to June 5th and asked the Chairman of the Fiscal Policy and Analysis Committee Lance Izumi to carry the scheduled action and information item over to June 5th as well. Commissioner Izumi agreed. Chair Arkatov indicated that the meeting would begin with Governor Gaston Caperton and then catch up with the Fiscal Policy and Analysis Committee items.

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<b>Recess</b>	Chair Arkatov recessed the meeting at 5:11 p.m.
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<b>Reconvene, June 5, 2001</b>	Chair Arkatov called the Tuesday, June 5, 2001 meeting of the California Postsecondary Education Commission to order at 8:40 a.m.
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<b>Call of the roll</b>	Judy Harder called the roll. All Commissioners were present except for Forhan and Smeby. Commissioner Wilson arrived after the call of the roll.
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<b>Report of the Statutory Advisory Committee</b>	Chair Christopher Cabaldon reported that the committee had conducted its normal business and provided input on the agenda items to the Commission's staff. He noted that the University of California reported on its actions with respect to SB-1 and SB-2 for approval by their Academic Senate of the Dual Admission Program with community colleges. The independent colleges reported on their new Memorandum of Understanding with the University of Mexico's student exchange program. The community colleges reported on efforts to try and remove the low-transfer budget language from the budget
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to replace it with a more comprehensive assessment of the capacity of individual colleges to fulfill their transfer mission.

*Continuation of the  
Standardized  
testing discussion*

Chair Arkatov introduced Gaston Caperton who is a former governor of West Virginia and presently serves as president of the College Board President.

Governor Caperton expressed his gratitude at being able to address the Commission. He provided the Commission with brief background information and history of the College Board as well as its current mission. He listed the College Board's endeavors, programs, test results, and plans. While admiring President Atkinson as a scholar and education leader, Governor Caperton respectfully disagreed with some of the president's ideas. In this regard Governor Caperton made five observations:

- ♦ It is very important to consider what President Atkinson did not say as much as what he did say. He did not say the test was biased, poorly developed or poorly administered, nor did he say that the test was not a good predictor, how much it would cost to create a new test, and he did not say whether a new test would be as good a predictor or would help to improve the application process.
- ♦ President Atkinson made a strong statement in which he said that, by dropping the SAT, there would be a remarkable change in the education system in California and that more students would have an opportunity to go to the University of California. Governor Caperton questioned the assertion that, elimination of the SAT reverses the effects of propositions 13 and 209, or that it would change the difficulty of running an education system in which 23 percent of the students have limited English. He questioned too whether it gets more people to go into teaching, or train any new and better principals. He maintained that dropping the SAT I would not make any difference in what goes on in low-achieving schools.
- ♦ Referring to President Atkinson statement that the SAT test is a mystery, Governor Caperton explained that it measures reading comprehension and vocabulary. In mathematics, it measures the ability to solve problems with basic mathematics, algebra and a little geometry. In the California English-language standards, critical thinking plays an important part. The mathematics standards include a large section on teaching problem solving. The SAT is about the ability to think in words and numbers. If one does not have this ability one does not do well in college.
- ♦ Governor Caperton agreed with Dr. Atkinson on the importance of the holistic approach of admissions. He said the SAT is but one factor that should be used and that nearly all institutions use the holistic approach for admissions.
- ♦ He said President Atkinson has indicated he visited an upscale private school and was moved to take this action about the SAT because the school was using standard vocabulary and analogies preparing for the SAT in the 12<sup>th</sup> grade. There always will be inequality in this country's school system. It is the greatest threat to the democracy and it is a national disgrace. This is not an SAT problem; it is not a problem of the

ability of students to learn. Governor Caperton emphasized the great tragedy of an unequal education system.

Governor Caperton stated that he believed California has the will, the ability and the strength to be a leader in the fight to provide equal education for all students. This will solve in the long- term the problem that faces the system.

Director Fox commended Governor Caperton for his diligence and passion to improve schools and inquired about the Gates Foundation and other programs. Governor Caperton explained that students in the early grades had fun and were learning, but that this enjoyment of learning diminishes by the 10<sup>th</sup> or 11<sup>th</sup> grade. Focus groups found that very early on is the time to instill in students the availability of careers, what is needed to reach their goals and why they should go to college. To this end, the Gates Foundation and others have funded beginning curriculum.

Director Fox then asked about the relationship between the SAT I and SAT II.

Governor Caperton explained that the SAT II is a subject matter test and the SAT I is about the ability to think with words and numbers.

Commissioner Montoya referred to President Atkinson's policy recommendation to do away with the SAT I as an admission tool because it does not add additional valuable information to the high school grades and the SAT II score. She asked why it was not Governor Caperton's policy recommendation to make the SAT optional, as more information is better than less. Governor Caperton explained the importance of the SAT information in conjunction with a holistic approach.

Commissioner Montoya asked if there are data available that contradicts the regression results as presented to the Commission. Wayne Cammerez, Vice President of Research at the College Board, explained that in terms of research it is similar to what UC has shown, except of student performance in college. The research has shown that both the SAT I and the SAT II are as good. It was not found that SAT II was slightly better predicting than SAT I. If the sole purpose of admissions were to predict college performance that would be an issue, however, written essays are required, as well as letters of recommendation and other requirements that scientific studies have shown do not add anything to predict the validity, yet all this information is considered important in a holistic approach. The SAT I and SAT II are by far the best tests developed in the world. Not enough research has been done on SAT II to definitively be able to state that in combination with high school grades this would be the best indicator for college success. Not a large body of schools have used the SAT II, only the most selective. SAT I, on the other hand, is the most researched test in the world. He provided further details on the testing research.

Commissioner Pesqueira inquired why there is such a negative attitude from teachers and experts about the SAT. Governor Caperton explained that the tendency is to hear the loudest from people who have not been accepted into a school. Taking tests is difficult for most people. He said neither facts nor research support the criticism about the SAT. With regard to teaching to the test, Governor Caperton felt that doing well in algebra, basic mathematics, geometry and reading is important towards one's educa-

tion. The problem in using SAT II as a sole predictor is that in California this test is given to about 12.5 percent of the best students. Applying the test to a large number, the discrepancy between students attending good schools and those attending bad schools, would be greater. The SAT I is a fair test for an unequal education system.

Commissioner Izumi asked what can be done in the State of California and how the College Board could help, particularly with schools such as those in the Central Valley without AP classes. Governor Caperton indicated he would like to work with CSU to put the AP in, training teachers and try to develop teams for good course work. The outreach is difficult and it is hard work to turn around low-performance schools, qualifying students to go to colleges and succeed. This is where the College Board can make a long-term contribution.

Commissioner Izumi referred to Governor Caperton's comment about the new test that President Atkinson would like replacing the SAT II and noted that the correlation between SAT II and college grades would disappear with the new test. He expressed concern about basing a transition to a new type of admission system with the knowledge that the upcoming test has no correlation data. He thought the point about unequal schooling was well taken. The Commission has produced data that shows that three-quarters or more of Hispanic and African-Americans in this State do not take the A-G courses. Dropping the SAT I and II would not get those students into the UC system. Referring to the University of Minnesota study on SAT I commissioned by the College Board, he noted that fourth-year grades are predicted quite accurately and asked for further comments on this study.

Mr. Cammerez explained that the researchers doing that work were trained in industrial psychology, not educational psychology. He had suggested to not do the usual type of educational research but to use new analytical tools. What is in the packet is the initial result which looked at the predictability of SAT and high school grades. What was not done, but will be done, is to look at essays, applications and external factors as possible predictors. The basic findings are that the SAT and high school grades are not just very good predictors of first year grades, but also the best predictors of cumulative GPA before a student matriculates.

Referring to the inequity of the availability for many of the students to take courses that help prepare for taking the test, Commissioner Schulze asked for comments on providing a way that everyone can have access to those special courses. Governor Caperton indicated this is a great concern, one of the things the new Internet company has done is to create free tutoring for SAT preparation. There are also very low-cost programs available on line. This is packaged for school systems to be distributed to all students. Governor Caperton pointed out that the real inequality is the kind of schooling the student has received from kindergarten through the 12<sup>th</sup> grade, rendering the tutoring aspect minuscule in comparison.

Commissioner Singh inquired how the College Board is considering using the research information gathered over the years on the SAT I in order to improve the curriculum thus obtaining the same result, i.e. to be better prepared to do well in college and to do well on the SAT I. Governor Caperton indicated that much more needs to be done in the

area of encouraging students to read the kind of things necessary for their education. There is a clear connection between how well kids attending a good school do on an SAT as opposed to those who don't. He provided some anecdotal information on how schools should and could be providing for SAT preparation courses.

Commissioner Hammer stated she has been working with a small group of high school students identified as potentially successful who took the PSAT this year. Several of them did use the College Board website with the aim of taking the SAT and then going to college. She asked if there would be a way to resolve the dichotomy of the current national debate, which is so very important to the millions of students in this country. Governor Caperton responded that the most impact would be in improving the schools. The issue is not another test, but what is being done, how are resources utilized to get at the problem, which is unequal schools. All the energy should be focused on that issue, because that in turn will bring diversity to higher education. He noted that the remuneration for teachers is a national disgrace.

Referring to the similarity between the non-English speaking population of Florida and California, Commissioner Pesqueira asked if specific work was being done in that regard and what are the results, if any. Governor Caperton said there is no good data available on that subject. He noted that any effort in this direction should be on a very large scale and involve everyone.

Commission Jhin recounted how, in the past, he had been a tutor for African-American students to prepare them for taking the test and how they improved their scores by 50 to 200 points. He noted that junior high school mathematics instructors are often not mathematics majors. The real educational problem is not the SAT score, but the inability to recruit and keep qualified teachers. Somehow this country must come together to provide the adequate resources necessary for students to learn. Governor Caperton pointed out that, in the long run, the money spent on education will come back many-fold in the way of keeping people out of prison and keeping jobs in the United States that are now being shipped abroad.

Chair Arkatov brought up the issue of stereotyping such as race and sex being a systematic influence on the SAT scores and asked Governor Caperton to address those issues.

Mr. Cammerez clarified that clearly women score lower in mathematics on the SAT, but their grades in high school are higher than males. In college, women's grades are higher as well. The main reason for this reversal is that females take less mathematics courses in high school and when they do take them, they tend to take the less rigorous ones. In college, and in comparing GPAs of students, males take typically one to two more mathematics and science courses in their freshman year than do females. The initial results of a current RAND study show that there are tremendous differences. The grades for engineer, science and mathematics majors are a full 1 to 1.2 points below humanities, foreign language, and social science majors. This results in different and variable grades. Another reason is that high school grades are generally assigned based on a variety of scores, such as quizzes, attendance, homework, etc. This too, is gender-based, as women are much more likely to not cause hassles. Simply not asking if a test

taker is a male or female, not asking for ethnicity or race, would address that issue he said. A new study has been commissioned with external researchers.

Commissioner Rodriguez thought that the issues raised call for a thoughtful debate concerning the SAT I and II, especially in California, where it has been used as a tool to ration a number of seats that are available in highly competitive through selective institutions. These institutions would rather blame an external non-state oriented product than looking internally at their own toolbox and realizing that maybe they are not doing the right thing in terms of rationing. It may also that the policy makers are not coming together in realizing that the systematic changes that are happening in the public schools K-12 are producing more and more students who want to go to these kind of institutions. He said they should also realized that if highly educated citizens are desirable than more spaces need to be created without laying blame on the various tools.

Commissioner Rodriguez said the long-term issue includes fixing low performing schools with greater educational opportunities for students to become productive citizens. The short-term problem is that there exists a set of tools, including the SAT that are used to allow students to go into an institution or not. Fundamentally, the biggest challenge in California where there is such a diversity and appetite for education, is that regardless of all the research that has been done there is a public perception that the SAT test denies fair opportunities to gain admission to selective institutions.

Governor Caperton responded that he deeply believed in the truth, not perception. The truth is that the SAT test is not a biased test. If the leadership in the Latino community thinks they can trade-off doing away with the SAT, they should not give that up for fighting for and insisting on an equal education system. The test also predicts effectively how well a kid is going to do in college. It is not a high stakes test, because only 20 percent of the students in this country are going to highly selective schools where the SAT is the difference between them getting in and not getting in. The real challenge is how to marry equity and excellence. Excellence is only for a few people and equity is not equity unless it has excellence in it. World-class institutions are not for everybody. The problem is that people are not being educated as well as they should when they enter that institution and children do not receive enough opportunity to be educated in order to take advantage of those institutions.

Mr. Cammerez commented that with regard to fairness and bias, this usually is associated with different groups getting different scores on the SAT, resulting in the assumption that because one group scores higher than another group, the test is biased. He said Dick Ferguson explained very well how the tests are developed, making sure that the items do not have any bias. He explained how those differences are not going to disappear regardless of tests. He also detailed the work going into the logistics of developing the annual tests.

Commissioner Welinsky noted that the gap between Governor Caperton and President Atkinson is not that much. The key difference is that the College Board has invested enormous resources in a particular product, and the largest institution is talking about not buying the product.



Governor Caperton reiterated his disagreement with President Atkinson's statement, that the elimination of the SAT I would result in schools getting better, students would study better, more kids would get into the University of California, and so on. He said that elimination of the SAT I is not going to do these things.

Commissioner Wilson commented that California has diversity unlike any other state as reflected by the attendees at this meeting. She stated that, from her African-American perspective, inequity is ingrained in the nation's education system. The testing for college for limited seats is just a manifestation of the inequity. The challenge, she said, is what to do about that inequity. California needs to take up this question, especially in terms of the complexity of its diversity. She said that education is not only political but it is also big business, including the administration of the various tests. This likely creates some economic motivation for maintaining the status quo.

Governor Caperton indicated his respect for Commissioner Wilson's remarks and noted he stood for what she commented on for a long time. What did concern him is that *Brown v Board of Education* was passed because, in those days, there were what was called *separate but equal schools*. The truth was they were separate and unequal. Today they are still separate and unequal. He reminded the Commission that the College Board is a nonprofit organization and is owned by the colleges and universities they represent. Dropping the SAT I does not eliminate any of the problems inherent in the nation's education system. The only way to eliminate this inequity problem is to make the school system and education of all students equal.

Executive Director Fox remarked that this Commission is deeply concerned about access to postsecondary education, whether it is in the University of California or another public or private institution. Preparing students in high school to do well in life and do well in college is of paramount interest to the Commission. He asked for comment on Nick Lemann's proposal for a national curriculum and indicated he would post his questions on the website for people to look at.

Chair Arkatov thanked the participants for their insightful presentations, their passion and thoughtfulness and was looking forward to a continued dialog.

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**Presentation  
by Diana  
Fuentes-Michel**

Diana Fuentes-Michel, the Undersecretary for Education in the Office of the Secretary for Education, reported that the Conference Committee has begun to decide which bills will go through the legislative process. In this budget, the Office of Education has tried to sustain its support for higher education. The Governor is very supportive of two priorities, education and public safety.

Ms. Fuentes-Michel said the May revision had to do with cuts resulting from a reduction in anticipated revenues due to the stock market fluctuation. The decision making process tries to protect higher education to the greatest extent possible. She referred to some one-time appropriations in the January budget, one of which was \$ 160 million appropriation for the construction of UC Merced. That has now been adjusted to provide for lease revenue purchases, i.e. to buy construction of UC Merced out of bond funding. The budget reflects adjustments such as that in order to arrive at a fiscally responsible, sound, balanced budget.

Ms. Fuentes-Michel said the Governor continues to support the underlying premises of this budget, which are to continue to support an increase in higher education. The University of California's budget is recommended to be increased by about 5.8 percent. The California State University's adjustment is about 6.3 percent. The Student Aid Commission, because of the new Entitlement Cal Grant program, is actually seeing a substantial increase in funding by about 28 percent up to about \$635 million to fund the new entitlement program. The Commission is likely to see an increase in its budget of 3.9 percent. Primarily, the decision was made to adjust the increase to 2 percent rather than 5 percent, adjusting for higher energy costs which many of the systems are experiencing. The community colleges' increase is significant, from about 10.7 percent to an amount somewhat less than that. Most of their funding was held harmless. Significant in the May revise package was a \$62-million part-time faculty compensation package which the Governor feels very strongly about. The community colleges have asked for additional funding for COLA increases in the partnership, but the budget, relatively, remained whole. She provided further details on this subject.

Commissioner Rodriguez asked about the difference in UC Merced funding, moving from using general fund allocation for the initial construction to looking at the revenue bond side, and asked if the Governor's office did any analysis of what impact that would have on other projects interested in using revenue bonds.

Ms. Fuentes-Michel explained that in difficult budget years, typically lease purchase bonds are being utilized. This means the debt is being paid over a longer period of time and the general fund commits to funding that debt over time. She explained the details behind the decision to fund by using revenue bonds. There is still a strong commitment to UC Merced.

Ms. Fuentes-Michel reported on the Governor's initiatives in regard to Mexico. To this end she will travel to Tampico, Mexico for the annual Borders Conference. She discussed the issues related to this program and noted that she is going to Tampico primarily to talk about the issue of undocumented students here in California. In the increased dialog, opportunities were being sought to provide for more exchanges in certain disciplines for a select number of students. Ms. Fuentes-Michel indicated she was very interested in working with the Commission on those ideas and was hopeful to move that agenda forward.

Ms. Fuentes-Michel provided the Commission with a brief update on financial aid and pointed to two issues. In the Cal Grant Program, it is very important to continue to get the word out in terms of availability of the entitlement and what that means, as well as working closely together with the Student Aid Commission in order to secure additional private and public funding in order to have a very strategic outreach agenda. A mailer will be going out shortly to every California junior from the United States Federal Department of Education as well as the California Office of Education that is a *Financial Aid Planner*. The second issue is a targeted effort for the Central Valley where students often do not have a permanent address. The Department will be sending a letter to high school principals, as well as to libraries, churches and schools in order to reach those particular students. The James Irvine Foundation has helped with the initial funding to get this project started.

Ms. Fuentes-Michel said, in terms of the Governor's Scholars Program, 100,000 students have been contacted and about 50,000 students have already claimed their awards. She highlighted various actions taken by her office on several proposals. A discussion followed on the implications of Mexican students studying in the California and other areas.

Ms. Fuentes-Michel explained that the Student Aid Commission has a website where information about Cal-grants and other opportunities for students is disseminated.

Commissioner Hanff asked Ms. Fuentes-Michel to give the Commission an update on the appointment process for the two student Commissioners. She stated that the appointment process has been very difficult and there is still a need for a successful candidate to fill the community college position.

Director Fox inquired about the status of the bond for education. Ms. Fuentes-Michel stated that approximately one month ago the representatives for each of the segments met with the Chief Deputy Director and herself to review the bond proposal. The community colleges, California State University and the University of California presented a proposal to the Administration and there was consensus to carry it forward. She stated that the opportunity to talk with the Governor about the bond measure has not been obtained at this time.

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**Report of the  
Executive Director**

Director Fox discussed issues of concern to the Commissioners including the Legislative Analyst's recent economic projections for California, information regarding the May Revise as it impacts the State Budget for 2001-02, and information about a potential general obligation bond for higher education facilities.

Mr. Fox provided updates to the Commission that is as follows:

- ◆ The LAO reported a potential shortfall in the Budget of \$3.4 billion.
- ◆ The Governor proposed his "May Revision" with reductions in augmentations that were planned for higher education.
- ◆ The State is in a precarious position due to lower revenues in the \$3 to \$4 billion range and the continuing energy issues.
- ◆ The Budget shortfall will impact the CPEC as a reduction of approximately \$94,000 in the base budget because the Governor has decided that, with few exceptions, State agencies must reduce their operating budgets by 2.5 percent.
- ◆ Higher education has joined with K-12 in the approximate \$10-billion bond offering.
- ◆ There will be local community college districts that will be unhappy with the timing of the Statewide bond.

Director Fox reviewed the proposed resolution that contains the information about the 714,000-student enrollment demand and stated that the Commission will be asked to formally vote on it.

Commissioner Hanff provided an update on the meeting of student board members that occurred at CPEC. He stated that on April 23, 2001 a group met which included two students from the University of California Board of Regents, two students from the CSU board of trustees, one student from the community college Board of Governors and heads of the different associations from the various public institutions. He outlined four goals of the participants which were to create intersegmental connections, to promote student needs in California higher education, to create a support network for these unique student leadership roles and to refine and perpetuate the meetings yearly occurrence. He provided a short overview of the format and nature of the meeting that included the taking of minutes that will be provided to the Commission.

Director Fox stated that CPEC has volunteered to help the student group on an annual bases. Commissioner Wilson asked Mr. Hanff if any of the student representatives were involved in the re-authorization of the Master Plan effort. He stated that he does not believe any of the students sit on any of the Committees. Director Fox said that an eight-page report in tab five, prepared by staff, has information on enrollment growth and facilities for public systems.

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<b>Recess</b>	Chair Arkatov recessed the meeting at 11:26 a.m. in order to convene the Fiscal Policy and Analysis Committee
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<b>Reconvene/Recess</b>	Chair Arkatov reconvened the California Postsecondary Education Commission at 11:44 a.m. and recessed in order to convene the Educational Policy Committee.
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<b>Reconvene/Recess</b>	Chair Arkatov reconvened the California Postsecondary Education Commission at 12:21 p.m. and recessed in order to convene the Governmental Relations Committee.
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<b>Reconvene</b>	Chair Arkatov reconvened the California Postsecondary Education Commission at 12:58 p.m. and asked for a report of the Governmental Relations Committee.
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<b>Report of the Governmental Relations Committee</b>	Chair Welinsky recommended adoption of the staff report entitled <i>Legislative and Budget Update, June 2001</i> . It was moved, seconded and voted upon without dissent to approve the report.
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<b>Adjournment</b>	Hearing no public comment and having no further business Chair Arkatov adjourned the meeting at 1:08 p.m. A meeting was scheduled to follow of Executive Committee and the Committee on Education Code Section 66905 in executive session to discuss personnel matters.
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